



## SECRETARY OF STATE

### BUREAU OF MOTOR VEHICLES

#### Laws Pertaining to Recyclers and Scrap Processors

#### Title 29-A; M.R.S.A.

#### §667. Salvage

**1. Certificate of Salvage.** When, by reason of its condition or circumstance, a vehicle for which a certificate of title has been issued by this State is declared a salvage vehicle:

- A. By an insurer, the insurer or its designee shall surrender the certificate of title to the Secretary of State and apply for a certificate of salvage, in accordance with Section 654, within 20 days of the settlement of the insurance claim; or
- B. By the owner of the vehicle, the owner shall surrender the certificate of title to the Secretary of State and apply for a certificate of salvage in accordance with section 654 prior to the transfer of the vehicle, unless the owner transfers the vehicle to a recycler licensed under this chapter.

**2. Assignment of ownership.** At the time the salvage vehicle is transferred, the insurer, the insurer's designee or the owner shall endorse the assignment of ownership on the certificate of salvage and surrender it to the transferee of the salvage vehicle. If a vehicle owner retains a salvage vehicle as part of a settlement with an insurer, the insurer shall comply with this section and endorse the assignment of ownership on the certificate of salvage and surrender it to the vehicle owner.

**3. Surrender and cancellation of certificate.** Surrender and cancellation of a certificate of title or certificate of salvage must be as follows.

- A. An owner who scraps or dismantles a vehicle shall immediately surrender the certificate of title or certificate of salvage to the Secretary of State for cancellation.
- B. A person who acquires a vehicle to be scrapped or dismantled shall immediately surrender the certificate to the Secretary of State. If an owner transfers a vehicle for which a certificate of salvage has not been issued to a salvage dealer or recycler licensed under this chapter, the vehicle is deemed declared by the owner to be a salvage vehicle, and the salvage dealer or recycler shall immediately apply for a certificate of salvage for the vehicle in accordance with section 654, unless the vehicle's certificate of title is surrendered in compliance with this subsection.

- C. A person who repairs or rebuilds for operation on the public ways a salvage vehicle shall comply with subsection 4 and shall:

- (1) If the vehicle was not insured, obtain the certificate of title from the owner; or
- (2) If the vehicle was insured, obtain a certificate of salvage or a certificate of title from the insurer and apply for a certificate of salvage.

**4. Repaired or rebuilt vehicle.** If a salvage vehicle is repaired or rebuilt for operation on a public way, a vehicle may only be titled or registered for operation or offered for sale in this State if:

- A. The identification number of the vehicle and its component parts are inspected and verified;
- B. The vehicle passes a motor vehicle inspection under section 1751; and
- C. If necessary, a new vehicle identification number is assigned.

Upon demand of the Secretary of State or a transferee, a repairer or rebuilder shall produce receipts of purchase of the vehicle or for component parts used in the repairing or rebuilding process, or both. If new parts are not used to rebuild a salvage vehicle, the rebuilder shall produce the vehicle identification number of the vehicles from which the parts were taken and the certificates of title or the certificates of salvage for the vehicles if not already surrendered. The repairer or rebuilder shall disclose, in writing, to the transferee of a repaired or rebuilt salvage vehicle the fact that the vehicle was a salvage vehicle and shall disclose what repairs were made to the vehicle.

**5. Distinctive.** The following legends apply to certificates of title issued subsequent to issuance of certificates of salvage for vehicles.

- A. The legend "salvage" must appear on a certificate of title if:

- (1) A vehicle has no marketable value other than the value of the basic materials or parts used in the construction of the vehicle;
- (2) A vehicle is sold with a stipulation that it is only to be used for the benefit of its parts; or
- (3) A certificate of title previously issued by the Secretary of State or by any other jurisdiction bearing the legend "salvage" accompanies an application to the State for a subsequent certificate of title.

- B. The legend "rebuilt salvage" must appear on a certificate of title for a rebuilt salvage vehicle if:

- (1) Two or more vehicles with different frames are joined;

- (2) A salvage vehicle has 5 or more component parts replaced; or
    - (3) A certificate of title with the legend "rebuilt salvage" issued by the Secretary of State or by any other jurisdiction accompanies an application to the State for a subsequent certificate of title.
  - C. The legend "rebuilt" must appear on a certificate of title for a rebuilt salvage vehicle if:
    - (1) A salvage vehicle has at least one, but less than 5, component parts replaced; or
    - (2) A certificate of title with the legend "rebuilt" issued by the Secretary of State or by any other jurisdiction accompanies an application to the State for a subsequent certificate of title.
  - D. If a salvage vehicle for which a certificate of title has been issued by this State with any of the legends described in this section is subsequently titled in another jurisdiction and later retitled in this State, any subsequent certificate of title from this State must also contain the legends appearing on the previous certificate of title from this State.
- 6. Violation.** A person who violates this section commits a Class D crime.

#### **§1109. Vicarious liability**

**1. Corporators or partners.** If a licensee is a partnership or corporation, it is sufficient cause for denial, suspension or revocation of a license if an officer, director, trustee or partner of the partnership or corporation has committed an act or omitted a duty that would be cause for denying, suspending or revoking a license.

**2. Employees.** A licensee is responsible for the acts of employees if that licensee approved of or had knowledge of the acts or other similar acts and after that approval or knowledge retained the benefit, proceeds, profits or advantages accruing from the acts or otherwise ratified the acts.

#### **§1110. Records of transactions**

**1. Record keeping.** A licensee shall maintain business records for 5 years, including a record of:

- A. Every vehicle or component part received or disposed of; its make, model, model year, vehicle identification number and any other part identifying number; the date of its receipt or disposition; and the name and address of the person from whom received or to whom given; and

- B. Every vehicle scrapped or dismantled by the licensee, the date of that action and the vehicle's make, model, model year and vehicle identification number.

A scrap processor is exempt from the requirements set forth in paragraph A for vehicles received that are already dismantled.

**2. Availability.** The records, the place of business and the vehicles and vehicle parts in the possession of the licensee must be available for inspection during normal business hours by the Secretary of State, a law enforcement officer or representatives of the office of the Attorney General.

**3. Compliance with federal law.** In the keeping of records, a licensee shall comply with the federal Truth in Mileage Act of 1986, Public Law 99-579, as amended, and the regulations of the United States Secretary of Transportation, 49 Code of Federal Regulations, Part 580.

**4. Penalty.** Violation of this section is a Class E crime.

#### **§1111. Surrendering certificate**

A recycler who scraps or dismantles a vehicle shall deliver the certificate of title or certificate of salvage to the Secretary of State for cancellation. Except for a dismantled vehicle that has been repaired or rebuilt, a certificate of title or registration to the vehicle may not be issued again. Violation of this section is a Class E crime.

#### **§1112. Identification number**

A recycler may not possess or exercise control over a vehicle or vehicle part that has had the vehicle identification number removed. It is not a defense that the recycler did not know that the vehicle identification number had been removed. Violation of this section is a Class E crime.